



**Empire State
Development**



**Lower Manhattan
Development
Corporation**

WTC Site 5 Community Advisory Committee Meeting

May 3, 2023

WTC Site 5 Background

- 130 Liberty Street - Former Deutsche Bank Building
- LMDC used HUD Community Development Block Grant (CDBG) funds to acquire, remediate and clear Site 5
- 2004 WTC General Project Plan contemplated commercial and/or hotel use for Site 5
- February 2006: MOU between LMDC and Port Authority under which the Port agreed to provide parcels it owned at the center of the campus, including the original WTC tower footprints, to the 9/11 Memorial & Museum and Performing Arts Center, in exchange for Site 5 and adjacent parcels, owned by LMDC
- February 2019: MOU between LMDC and Port Authority to jointly RFP Site 5 for either commercial use (as of right) or mixed use (requiring modification to the WTC General Project Plan)
- June 2019: Site 5 RFP released



WTC Site 5 Proposed Project

In February 2021, after a competitive RFP process, a Development Team and Proposed Project was Conditionally Designated

Development Team

- Brookfield Properties
- Dabar Development
- Silverstein Properties
- Omni NY

Key Project Elements

Mixed-Use Tower with 1,200 rental residential units; community facility; office space; retail; and connection to Liberty Park

Appraised value of the Development Site: \$249 million

Annual Base Rent (to the Port Authority) is the greater of \$12,500,000 (escalating 2% annually) or 21% of cash flow before debt service

Governing Documents

99 Year Lease; Payment In Lieu of Taxes (PILOT) Agreement with the City of New York; Affordable Housing Regulatory Agreement with HCR; Mixed Use Design Guidelines; supporting transactional docs



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WTC Site 5 Timeline + Public Engagement

- February 2021 – Conditional Designation
- April 2021 – Community Advisory Committee Established
- November 2021 – Start of public process for modifications to the General Project Plan (GPP) and Environmental Assessment
- April 2022 – GPP modifications and Environmental Assessment adopted / affirmed
- July 2022 – Start of public process for Proposed Project and real estate transaction
 - Public hearing – September 2022
 - Close of comment period – October 2022
- May 2023 – Public Sponsor Board Actions on Proposed Project

Public Engagement

- Since Conditional Designation, there have been over 30 public engagement meetings on the Proposed Project including meetings with the Community Advisory Committee (CAC), presentations to Manhattan Community Board 1, and meetings with Project stakeholders, such as The Coalition for 100% Affordable WTC Site 5.
- The Project Team is committed to ongoing public engagement through the public approvals process (CAC and CB1 meetings; opportunities for public comments during Board meetings)



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Public Sponsors Board Actions + PACB

- **LMDC** and **ESD Directors** to take action on the Proposed Project and Real Estate Transaction

Materials, which will be made public before the meeting, will detail:

- Modifications to General Project Plan re: Zoning Overrides for Proposed Project
 - Site Disposition (LMDC), Site Acquisition (ESD), and Ground Lease for Proposed Project
 - Project Documents: Essential Terms of the Real Estate Transaction, and Initial Agreement with Conditionally-Designated Developer
- **Port Authority Commissioners** to take action on the financial terms of the Proposed Project and completing the terms of the MOU with LMDC
- After Board actions, Project will be presented to the **Public Authorities Control Board (PACB)**

WTC Site 5 Proposed Project Affordable Housing

	Proposed Project			Proposed Project with Increased Affordability			Delta
Number of Residential Units	1,200			1,200			—
Number of Affordable Units	300			360			+60 Units
Percentage of Affordability	25%			30%			+5%
AMI Band Range	<u>AMI Bands</u>	<u>% of Units</u>	<u># of Units</u>	<u>AMI Bands</u>	<u>% of Units</u>	<u># of Units</u>	
	40%	10%	120 units	60%	10%	120 Units	
	60%	10%	120 units	85%	10%	120 Units	
	80%	5%	60 units	110%	10%	120 Units	
Average AMI	50%			85%			+35%
Income Amount Family of 4	\$66,700			\$113,390			+\$46,690

*Figures are estimates provided for discussion purposes only



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WTC Site 5 Affordable Housing Subsidy Needs

	Total Number of Residential Units	Percentage of Affordable Units	Total Number of Affordable Units	Average AMI	Estimated Subsidy Need
Original Proposed Project	1,200	25%	300	50%	\$0
Proposed Project	1,200	30%	360	85%	\$0
Increased Affordability Example #1	1,200	35%	420	100%	Approx. \$58M
Increased Affordability Example #2	1,200	37.5%	450	80%	Approx. \$120M
Increased Affordability Example #3	1,200	50%	600	50%	Approx. \$500M

- Figures are estimates provided for discussion purposes only
- Subsidy must be identified by April 2024 to allow for coordination and planning